



To: Members of the Senate Finance Committee

From: Chris Glass, Grand Rapids Area Chamber of Commerce

Subject: Corporate Officer Liability Reform – Section 27a

Date: May 8, 2013

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On behalf of the Grand Rapids Area Chamber of Commerce (GRACC) and our 2,800 members, we support Senate Bill 64 and its reforms to provisions of the revenue act as it pertains to unpaid taxes on a business.

Our organization supports this legislation because we believe Michigan is an uncompetitive outlier with other states who are trying to encourage business growth. As a result, business owners are hesitant to invest and take risks in Michigan.

This legislation seeks to bring Michigan in line with other states that restrict the type of tax an individual is personally liable for to unpaid trust taxes. In addition, this legislation seeks to ensure the Department of Treasury is targeting those individuals responsible for payment.

We believe the Department of Treasury, in an effort to collect unpaid taxes, is broadly issuing assessments to individuals who are not responsible for payment. Current statute does not provide taxpayers the opportunity to contest the issued assessment. As a result, these assessments have long term implications for individuals who may not be responsible for the tax.

Our organization supports the Department of Treasury and their responsibility to collect taxes. However, it is important that the collection efforts be thoughtful and targeted to individuals that are responsible for payment.

I ask for your support of this legislation and I am available to answer any questions you may have at 616.771.0311.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Glass".

Chris Glass  
Director of Public Policy

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